

Message Text

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PAGE 01 BANGKO 12746 101349Z
ACTION EA-09

INFO OCT-01 ISO-00 EB-07 XMB-04 L-03 /024 W
-----110039Z 018594 /63

R 101010Z JUN 77
FM AMEMBASSY BANGKOK
TO SECSTATE WASHDC 3087
INFO USODC WASHDC
USDA WASHDC

UNCLAS BANGKOK 12746

E.O. 11652: N/A
TAGS: BDIS, EPAP, BBAK, TH
SUBJ: ATTEMPTED RESCUE OF THAI DURABLE TEXTILE CO., LTD.

REF: BANGKOK 9148

1. LOCAL PRESS REPORTED JUNE 9 THE SIGNING ON JUNE 8 OF AN AGREEMENT BETWEEN A GROUP OF 28 CREDITORS OF THE FINANCIALLY AILING THAI DURABLE TEXTILE CO. LTD. (TDTC) AND THE NEWLY ESTABLISHED UNION TEXTILE INDUSTRIES CO. LTD. (UTIC) TO SALVAGE TDTC. UTIC ASSUMED MANAGEMENT OF TDTC'S BANGPOO PLANT ALMOST THREE MONTHS AGO AND THE SIGNING OF THE AGREEMENT FORMALIZES THE TRANSFER OF OWNERSHIP OF THE BANGPOO PLANT REPORTED REFTEL. THE AGREEMENT HOWEVER, DID NOT RELIEVE TDTC FROM BAHT 900 MILLION DEBTS OF ITS OTHER PLANT IN PRAPRADAENG.

2. BANGKOK BANK, THE LARGEST CREDITOR OF TDTC WITH AN INDEBTEDNESS TOTALING BAHT 1,139 MILLION (US\$53.8 MILLION), HAS PROVIDED LEADERSHIP IN THIS RESCUE ATTEMPT. SHAREHOLDERS OF THE NEW FIRM INCLUDE EIGHT LOCAL BANKS, FOUR JAPANESE RAW MATERIAL SUPPLIERS AND "OTHERS."

3. COMMENT: THERE APPEARS TO BE AT LEAST TWO PROBLEM AREAS IN THIS SALVAGE ATTEMPT. ALL CREDITORS OF TDTC ARE NOT REPRESENTED IN THE GROUP. ANY DISSENTING CREDITOR, THROUGH LITIGATION,
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CAN GIVE RISE TO SERIOUS SURVIVAL PROBLEMS AND US COTTON SUPPLIERS ARE ALREADY SEEKING LEGAL SATISFACTION OF THEIR CLAIMS AGAINST TDTC. ALSO SOME DIFFICULTY APPARENTLY EXISTS IN DIFFERENTIATING BETWEEN THE LIABILITIES OF THE BANGPOO PLANT AND THOSE OF THE PRAPRADAENG MILL.
WHITEHOUSE

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AGREEMENTS, BUSINESS FIRMS
Control Number: n/a
Copy: SINGLE
Sent Date: 10-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977BANGKO12746
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770208-0618
Format: TEL
From: BANGKOK
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770671/aaaacjuk.tel
Line Count: 61
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Litigation History:
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Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 77 BANGKOK 9148
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 09-Nov-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2206259
Secure: OPEN
Status: NATIVE
Subject: ATTEMPTED RESCUE OF THAI DURABLE TEXTILE CO., LTD.
TAGS: BDIS, EPAP, BBAK, TH, THAI DURABLE TEXTILE CO LTD, UNION TEXTILE IND CO LTD
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/ff07ee7f-c288-dd11-92da-001cc4696bcc
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